

Director of Central Intelligence

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Special National Intelligence Estimate

# Is Iraq Losing the War?

Key Judgments

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The Assistant Chief of Staff for Intelligence, Department of the Army

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**IS IRAQ LOSING  
THE WAR?**

**KEY JUDGMENTS**

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## KEY JUDGMENTS

A continued failure by Baghdad to exploit its many military advantages over Iran will mean that Iraq will suffer additional military setbacks and probably lose the war over the long term. Iraq's strategy—to outlast Iranian resolve to bring down the Ba'thist regime—will not work unless Baghdad substantially raises the costs to Iran. Only a change to a much more aggressive posture designed to preempt Iranian offensives and cripple Iran's economy would turn the war around:

- Despite Iraq's advantage in weaponry, its objective is only to *end*, and not *win*, the war—that is, to emerge with the Ba'th regime and Iraqi territory intact. The regime translates this objective into a reactive, ineffective use of its military forces that has largely yielded the initiative to Iran.
- Although both Iraq and Iran are vulnerable to political unrest caused by war weariness and economic problems, in the short term *Iraq's* internal situation is more vulnerable because of declining civilian morale and more acute manpower shortages. Moreover, the narrow base of Saddam's regime makes him more susceptible to challenge and possible removal with little warning [redacted]

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Iran's vital economic and military facilities remain highly vulnerable to Iraqi air attack, and a sustained and effective Iraqi campaign against these targets could severely limit Iran's ability to fight the war and ultimately force the regime to reconsider its policies—short of making peace. Baghdad's failure to launch a concerted air campaign emanates from deeply ingrained aversions to broadening the scope of the war. Baghdad could well go on resisting meaningful change on this issue until it is too late [redacted]

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Iran's recent military successes have caused further decline in the morale of Iraq's war-weary population—Iraqis are depressed over heavy casualties from a seemingly unending conflict they fear they are not winning. At the moment, Iraqi troops still have the will to resist Iranian attacks and Baghdad faces little organized dissidence outside of Kurdistan, but further Iranian successes will heighten discontent over the war, embolden opponents of the regime, and make security more difficult [redacted]

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On the basis of very limited evidence, we believe grumbling over Saddam's conduct of the war is already growing among both military and civilians and increases the chances of assassination or, less likely, a coup. Would-be coup plotters currently are restrained by Iraq's vigilant security services and the belief that Saddam's fall would embolden Tehran to forge ahead to entirely eliminate Ba'thist rule in Baghdad. If Iraq does not begin to fight the war more effectively, some military officers may conclude that although Iraq *may* be defeated without Saddam, it *will* lose if he stays. Most Iraqis probably would rally behind a new leadership. [ ]

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The leaders of a military coup probably would pursue more aggressive war policies than a civilian regime, but a successor regime—whether civilian or military—would suffer from infighting and increased internal dissidence. Iran probably would find any non-Shia successors unacceptable as negotiating partners [ ]

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Meanwhile, declining oil revenues will hamper Baghdad's "guns-and-butter" policy of paying for both the war and the consumer goods necessary to maintain the civilian economy and morale. Unless Iraq's Persian Gulf allies substantially increase their financial aid, Baghdad will be forced to cut imports by at least 25 percent, largely at the expense of industrial and consumer goods and services. [ ]

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For its part, Iran is likely to launch a series of medium or small-scale border attacks in 1986 to weaken Iraq's defenses. If Tehran judges that Iraq's military, political, and economic situation has deteriorated significantly, Iran will launch a large offensive, hoping that a single major blow would shatter Iraq's will to fight and cause the collapse of the regime in Baghdad. Nevertheless, Iran probably will have significant logistic problems if it attempts to launch a major offensive. [ ]

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Iran's initial success at Al Faw has hardened the clerical regime's resolve to continue the war until the Ba'thist regime is toppled. The most likely post-Khomeini government will not be more conciliatory if the military gains more battlefield successes. [ ]

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Iran's leaders are unlikely to scale back the war effort in the next 12 months unless the war leads to serious popular discontent. In the event that Iraq inflicted crippling damage to the Iranian economy, in as soon as four months, and certainly within a year, Iranian leaders would face instability severe enough to force a rethinking of their war policy. [ ]

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In the event Iraq did maintain a campaign of effective air attacks, Iran would respond by first increasing operations against shipping in the Persian Gulf and, if desperate, attacking Iraqi cities. If Iraqi attacks

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began to weaken the Iranian economy seriously, the Iranians would very likely launch terrorist or commando attacks on the Arab Gulf states. Iran would be reluctant to expand the ground and air war into these countries. It probably would not try to blockade or interdict all shipping through the Strait of Hormuz because of fear about US or Western intervention. [ ]

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The defeat of Iraq or the establishment of a credible Islamic republic in southern Iraq would significantly increase the threat of instability for countries such as Kuwait and Bahrain, which have large Shia populations. Shia restiveness in the Eastern Province of Saudi Arabia would also grow, as would the potential for sabotage against oil facilities. Political and ideological pressure from Iran probably would cause the Gulf Cooperation Council states to draw closer together and appeal to the West for diplomatic and even military support to discourage Iranian intervention. [ ]

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The Gulf war has not served Moscow's overall interests in the region—largely giving the United States greater opportunity to play a security role in the Gulf and to improve its ties to Baghdad. Moscow has consistently called for an end to the war, fearing that US strategic interests would continue to gain at Soviet expense. Despite Moscow's support for Baghdad, the Soviets do not want either Iran or Iraq to emerge as clear victor. Moscow has long preferred a relative balance between the two countries as the best way to exert its influence in the region. [ ]

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If the Soviets believed that a major Iraqi defeat loomed on the horizon, they would be under considerable pressure to help Baghdad. The credibility of the USSR would be at stake if it were perceived as unwilling to assist a country near its borders with whom it enjoyed longstanding ties. Furthermore, even though the Soviets would be unlikely to engage in direct combat support to Iraq against Iran, lending Baghdad military aid would hold several advantages for Moscow:

- It would place the USSR in the position of major player in the Gulf, rivaling the United States.
- The United States would be hard put to condemn the Soviets since the request would come from a regime that the United States itself has not wished to see collapse.
- Moscow might see this as a way to force a dialogue with the United States about joint handling of regional security issues—including the Arab-Israeli problem. [ ]

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We believe it more likely, however, that Moscow would be reluctant to send Soviet ground or air forces into Iraq, even if invited.

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The Soviets would have several less risky options for demonstrating their credibility as an ally and as a major arbiter of Gulf politics. The Soviets could pursue some combination of the following initiatives:

- Deliver new weapon systems.
- Supply additional military advisers and intelligence.
- Increase tensions along Iran's border with the USSR and step up military operations in western Afghanistan.
- Enforce an embargo on Soviet-made arms reaching Iran from Eastern Europe.
- Stop the transit of Iranian imports crossing Eastern Europe and the USSR.

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Short of sizable direct intervention, there is little the United States could do to shore up the Iraqi military position. Iraq remains well armed, and US military aid or advisers would only marginally improve Iraq's ability to defend itself against Iran. As long as Iran continues to have access to its non-Western suppliers—Libya, Syria, North Korea, and East European countries—it can maintain its military effort at current levels indefinitely. Under these conditions, a further tightening of the Western arms embargo on Iran will have little effect

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